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INFO RUCNASE/ASEAN MEMBER COLLECTIVE PRIORITY

RHEHNSC/NSC WASHDC PRIORITY

RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KUALA LUMPUR 000753

SIPDIS

FOR EAP/MTS AND INR

E.O. 12958: DECL: 08/25/2018 TAGS: <u>PGOV PINR KDEM MY</u>

SUBJECT: INDICATORS ALL POINT TO ANWAR VICTORY IN AUG. 26

BY-ELECTION

Classified By: Classified By: Acting Political Section Chief Jason Dono van for reasons 1.4 (b and d).

Summary

11. Poloffs in Penang report that local observers continue to expect a decisive victory for Anwar in the Permatang Pauh by-election August 26. Government-influenced media, however, continue to portray the campaign as close, and negative press stories on Anwar are prevalent. Opposition rallies are heavily attended and energetic while ruling party (BN) rallies are poorly attended. BN insiders reluctantly accept Anwar's impending victory, but hope to reduce his margin of victory. Both sides are making heavy use of political rhetoric and at least one cabinet member was seen passing out money to potential voters. Poloffs will continue observing the final day of campaigning August 25 and polling on August 126. End Summary.

Media Coverage vs. Reality

12. (C) The government-influenced mainstream media is splashing the news with negative stories about Anwar on the eve of the August 26 by-election. Reports in the Malaysian press coverage of a robust National Front (BN) campaign and tight race against Anwar falls short of the reality witnessed by most observers in Permatang Pauh who predict overwhelming support for Anwar. S. K. Devamany, a Deputy Minister in the Prime Minister's Office, clearly resigned to Anwar winning the election, told visiting Poloffs that BN's goal is to cut Anwar's margin of victory as much as possible.

Opposition United

13. (SBU) The component parties of the opposition, Democratic Action Party (DAP) and Pan-Malaysian Islamic Party (PAS), are fully engaged in supporting Anwar's bid. On August 24, visiting Poloffs saw Karpal Singh of DAP and Dr. Hatta Ramli of PAS addressing large gatherings with fiery rhetoric at separate political rallies (ceramahs). Hatta Ramli stressed that the Opposition was unanimously behind Anwar to be the next PM despite media reports to the contrary. He claimed, "Anwar will be elected on Tuesday, sworn in on Wednesday, and on Friday will be the opposition leader in Parliament sitting opposite the PM when he delivers the 2009 budget." Anwar in a 10-minute address at one ceramah assured the assembled crowd, with a hoarse voice, that he would never sell out Malaysia to any foreign interests. He refuted BN claims that

he was "an American or (Malaysian-) Chinese agent" asserting the ruling coalition was revealing the complete "bankruptcy of its ideas" in resorting to such allegations. The majority of BN supporters with whom Poloffs spoke with believe the U.S. is "fully backing" Anwar.

## Dueling Ceramahs

(C) Poloffs observed dueling BN and Opposition ceramahs directly across the road from each other around midnight on August 24. The ceramahs took place in a solidly Malay area, in the heart of Permatang Pauh. Hundreds of local residents were crowded into the Opposition's event, while a couple dozen people milled around the BN site. The BN ceramah featured a video of Saiful swearing on the Koran he was forcibly sodomized by Anwar (ref. C). BN posters around the area also featured Saiful. A second video had Syed Abdul Rahman al Habshi, the Mongolian Honorary Counsel, asserting that Deputy Prime Minister Najib never met nor was involved in the murder of Mongolian model Altantuya (ref. D). DPM Najib spoke at an invitation-only Malaysian Indian Congress (MIC) gathering. In contrast to Opposition events, there was a lavish display of food and entertainment with an Indian band specially brought in from Kuala Lumpur. In a rather puzzling presentation, to a largely indifferent crowd, a tired Najib spoke of what the Indian population had achieved under BN and MIC, noting the success of Indians as lawyers and accountants and of Indian youths from palm oil plantations being trained as chefs, hair stylists, and scrap metal dealers.

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## Comments

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15. (C) Hardball politics continue to dominate the run-up to the by-election. Both sides are throwing charges and counter-charges. BN is not holding back with Women's Minister Ng Yen Yen seen passing out 200 ringgit (approximately USD 60) to elderly people and reminding them to vote BN; anti-Israeli posters linking Anwar with Israel; and Anwar's sodomy charges being played up in the media. The Opposition is showing itself as a united coalition while painting BN as unresponsive to the people. At a sparsely attended BN ceramah, a Special Branch officer approached our two Poloffs, asking their identity and the purpose for attending the BN rally. The officer was friendly and apologetic after learning they were from the U.S. Embassy and said they had orders to query people who stood out. Active campaigning ends at Midnight August 25. Poloffs will continue observing political rallies tonight and polling activities tomorrow.

KEITH